This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 MANAMA 000265

SIPDIS

E.O. 12958: DECL: 02/24/2013

TAGS: PREL PHUM ETRD BA

SUBJECT: SCENESETTER FOR UNDERSECRETARY GROSSMAN'S VISIT TO

BAHRAIN

Classified By: Charge Robert S. Ford. Reason 1.4(D).

- 11. (C) Mr. Grossman, the American Embassy in Bahrain looks forward to your visit next week, and we know the Bahrainis will be anxious to talk to you about the Greater Middle East Initiative. Bahrain, a Major Non-NATO Ally, and the United States are long-time friends, and King Hamad is a particularly strong supporter of the President. We will seek a meeting for you with him. The King telephoned Ambassador Neumann in Baghdad on February 22 to ask about the Greater Middle East Initiative, and he said he might issue a public statement in support of it. The King perceives that he and his country are among the leading reform success stories in the Arab World.
- 12. (C) On other foreign policy issues, King Hamad and his government are anxious that we stabilize Iraq. They are nervous about a newly assertive Shia majority in Iraq because the Sunni Al-Khalifas rule a Shia majority in Bahrain. Meanwhile, King Hamad and his team also hope that the United States will be able to spur faster progress on the Middle East peace process to rebuild U.S. credibility. They view greater U.S. credibility as very important to our engaging more deeply with the public in Bahrain on issues like democracy.
- 13. (C) King Hamad has liberalized some aspects of the Bahraini political system. He released three years ago all political prisoners, and some who used to be in political exile came home to work in the press or even in government. However, many Shia want more so they boycotted the 2002 parliamentary elections. The King for his part has no intention of handing full power to the Shia.
- 14. (C) The reestablished national Parliament, with its elected lower house, is slowly growing more assertive. Notably, earlier this year it investigated financial scandals at the government-managed social security fund and compelled the government to implement transparency reforms. The parliamentary investigation may cost a minister or two their jobs. The King perceives the Parliament's work to be a net positive, although at times its members are too bombastic for his taste. In any case, he is determined that the parliamentary experience move forward and always at a controlled speed.
- 15. (C) We are working with the Parliament and nascent Bahrain political parties through a MEPI-funded NDI program. This popular NDI program encompasses training of parliamentary deputies and politicians from all sides of the Bahraini political spectrum, including those who boycotted the 2002 elections. Notably, NDI works with Islamic conservatives who are among America's most vocal critics in Bahrain. The British, meanwhile, also are starting a program of institution-building at the Bahraini Parliament.
- 16. (C) The U.S. is also working with the Bahrainis in the area of judicial reform through a MEPI-funded program with the American Bar Association (ABA). This new program is a follow-up to the September 2003 judicial reform conference held in Bahrain with Supreme Court Justice O'Connor. An ABA staffer in Bahrain is setting up a training program for judges and investigators. The Justice Minister is committed to moving ahead, but he cautions that American involvement in judicial reform in Bahrain is highly sensitive. In particular, strong Islamist elements in the Ministry and Parliament suspect we will overthrow the Islamic principles imbedded in the Bahraini judicial system in favor of western principles. The Minister wants the ABA program to stay low profile, therefore.
- 17. (C) We are also engaged deeply with Bahrain on economic issues. Bahrain's economy is perhaps the most open in the Arab world, according to the latest assessment from the Heritage Foundation. However, the economy is not generating enough jobs, and unemployment is a big political issue. We are now negotiating a Free Trade Agreement with Bahrain. The government here hopes the FTA will lead to greater foreign direct investment and jobs. We in turn are using the FTA negotiations to leverage additional economic reforms. The Bahraini economic policy team is small and at times overwhelmed by the amount of work generated by the FTA. We have a small MEPI-funded technical assistance program, but so far its impact has been relatively limited.

- $\underline{\ }$  18. (SBU) We are also deeply engaged with Bahrain on the educational and cultural side through the Middle East Partnership Initiative and ECA's Partnership for Learning (P4L) programs. We are currently implementing six new MEPI and P4L programs:
- -- Journalism training via Internews;
  -- Two MEPI university linkages with the University of Bahrain;
- -- Partnership For Learning Undergraduate Studies;
  -- Introducing civics education in K-12 public schools via Civitas:
- -- Arabic Language Book Program for elementary students; -- Junior Achievement in high schools.

Our contacts at the Ministry of Education and the University of Bahrain welcome our scholarships, linkages, and leadership/exchange programs for high school and collage students. Bahrainis welcome U.S. education and training because they believe this will help them to solve their unemployment problem and compete economically with their neighbors. Education officials are undergoing their own educational reform process. They want our programs to fit in with these ongoing changes in curriculum and training that are already underway. The pace of education reform can be slow; the Ministry's absorptive capacity is limited in part by the shortage of trained managers and administrators. We are also getting some push back from mid-level officials, principals, teachers, and even parents who either worry that we are trying to introduce too much democracy too quickly, or that American culture may overwhelm traditional Bahraini Muslim culture.

(U) Our team looks forward to meeting you in Bahrain. FORD